

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
1050 SEVENTEENTH STREET, N.W.  
SUITE 301  
WASHINGTON, D.C.

ELIAS C. ALVORD (1842)  
ELLSWORTH C. ALVORD (1984)

20036  
(202) 393-2266  
FAX (202) 393-2156  
E-MAIL alvordlaw@aol.com

OF COUNSEL  
URBAN A LESTER

RECORDATION NO. 27205-B FILED

May 6, 2008

MAY 06 '08 -9 35 AM

SURFACE TRANSPORTATION BOARD

Anne K. Quinlan, Esq.  
Acting Secretary  
Surface Transportation Board  
395 "E" Street, S.W.  
Washington, D.C. 20423-0001

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Full Service Railcar Lease, dated as of April 4, 2008, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Mortgage previously filed with the Board under Recordation Number 27205.

The names and addresses of the parties to the enclosed document are:

|         |   |
|---------|---|
| Lessor: | Babcock & Brown Rail Funding LLC<br>885 Second Avenue, 49 <sup>th</sup> Floor<br>New York, New York 10017 |
| Lessee: | South Carolina Electric & Gas Company<br>1426 Main Street<br>Columbia, South Carolina 29201               |

Anne K. Quinlan, Esq.  
May 6, 2008  
Page 2

A description of the railroad equipment covered by the enclosed document is:

100 BethGon II Coal Porter cars: BNBX 121520 - BNBX 121619.

A short summary of the document to appear in the index is:

Memorandum of Full Service Railcar Lease.

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/sem  
Enclosures

MAY 06 '08 -9 3 5 AM

## MEMORANDUM OF FULL SERVICE RAILCAR LEASE

## SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF FULL SERVICE RAILCAR LEASE dated as of this 4<sup>th</sup> day of April, 2008, to that certain Master Full Service Railcar Lease dated as of April 4, 2008, effective as of October 12, 2007 between BABCOCK & BROWN RAIL FUNDING LLC, a Delaware limited liability company (the "Lessor") and SOUTH CAROLINA ELECTRIC & GAS COMPANY, a South Carolina corporation (the "Lessee"), pursuant to which Schedule No. 01 has been executed, is made by the Lessor and the Lessee (the Lessor and together with the Lessee, the "Parties").

## KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, Lessor and the Lessee entered into that certain Master Full Service Railcar Lease dated as of April 4, 2008, effective as of October 12, 2007 and the Parties entered into that certain Schedule No. 01 thereto dated as of the same date (hereinafter as the same may from time to time be amended, modified or supplemented, the "Agreement"), covering the equipment listed on Exhibit A hereto (the "Cars");

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Agreement, and the respective interests therein of the Parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Cars to the Lessee in accordance with the terms and conditions of the Agreement, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

This Memorandum of Full Service Railcar Lease may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned has caused this Memorandum of Full Service Railcar Lease to be executed by a duly authorized officer as of the date first above written.

BABCOCK & BROWN RAIL FUNDING LLC, as Lessor

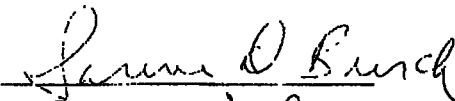
By: 

Name: Larry Littlefield

Title: Vice President

Date: 5/5/08

SOUTH CAROLINA ELECTRIC & GAS COMPANY, as Lessee

By: 

Name: Sharon D. Burch

Title: S. VP F&M

Date: 4/18/08

Wit: 

STATE OF New York )  
COUNTY OF New York ) SS:

On 5/5, 2007, before me, Indra Bedasie, Notary Public, personally appeared Larry Littlefield, personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Indra Bedasie

INDRA BEDASIE  
Notary Public, State of New York  
No. 01BE6014602  
Qualified in Queens County  
Certificate Filed in New York County  
Commission Expires October 19, 2010

STATE OF South Carolina

COUNTY OF Richland

On April 18, 2008, before me, Nick M. Bundy, Notary Public, personally appeared Shene D. Bundy personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Nick M. Bundy

**EXHIBIT A**  
**MEMORANDUM OF FULL SERVICE RAILCAR LEASE**

| <u>Quantity of Cars</u> | <u>Car Description</u>   | <u>Reporting Mark and Numbers</u>  |
|-------------------------|--|------------------------------------|
| One hundred<br>(100)    | 4520 CF capacity aluminum BethGon II<br>Coal Porters, 286,000 lbs GRL,<br>AAR Car Type Code J311, built by<br>FreightCar America in 2007 | BNBX 121520 – 121619,<br>inclusive |

**CERTIFICATION**

I, Robert W. Alvord, an attorney licensed to practice in the District of Columbia and the State of New York, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: May 6, 2008

A handwritten signature in black ink, appearing to read 'R. Alvord', written over a horizontal line.

Robert W. Alvord